

**IN THE SPECIFICATION:**

Please amend the specification to read as follows:

Please delete the paragraph starting at line 28 of page 3 and replace it with the following paragraph:

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In another exemplary embodiment, a method of playback of electronic media, includes: providing a credit bearing medium embodied as a smart card having a magnetic strip used as an interface thereto; purchasing playback credits; encrypting the playback credits; storing the encrypted playback credits to the credit bearing medium; reading a credit bearing medium containing playback credits; decrypting the playback credits read from the credit bearing medium transferring the decrypted playback credits from the credit bearing medium to a playback credit bank; reading a content bearing medium, the content bearing medium comprising a stick memory device such as a Memory Stick™; determining if the playback credit bank has at least one credit, and if so: determining if the content bearing medium is present, and providing a prompt to install the content bearing medium if the content bearing medium is not present, and when the content bearing medium is present: deducting a credit; and playing back the content stored on the content bearing medium; providing a message advising of the lack of playback credits in the event the credit bank does not have at least one playback credit.

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Please delete the paragraph starting at line 19 of page 6 and replace it with the following paragraph:

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An exemplary embodiment of a portable player consistent with the invention is shown as 100 in **FIGURE 1**. Portable media player 100 includes, in this embodiment, a media player 106 which can be any suitable media player including a disc drive, tape drive, flash memory card or stick memory device such as a Memory Stick™ (Sony